Nippon Times

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SIEGFRIED DEFENSE LINE REACHED BY U.S. FORCES

Bridge Link Over Rhine Smashed by Germans—Enemy Units Enter Bingen

Domei

ZURICH, March 18.—Reuters disclosed today that the Ludendorf bridge over the Rhine at Ramagen collapsed and fell into the river yesterday following repeated German attacks. This railway bridge across the Rhine, about 11 miles south of Bonn, was the main link between General Hodge's army on the west bank of the Rhine and the American bridgehead on the east bank.

At present a pontoon bridge is said to be in operation close to the Ludendorf railway bridge and is acting as the only cross river link between the two American forces on both sides of the Rhine.

Other frontline reports said, meanwhile, that the American 3rd army operating between the Rhine and Moselle rivers has entered Bingen which is a town on the Rhine bend where it joins the river Nahe and are reported to be heading for Mainz about 30 kilometers east of Bingen.

At the same time the outer defenses of the Siegfried Line was reached at several points by the American 7th army in the Saarbrucken area west of the Rhine. The right wing of the 7th army hammering directly into Saarland from the south yesterday was reported astride the Hagenau-Wissenbourg highway while to the west other units broke through Hornbach in Germany southeast of Sarrgemund and entered the Siegfried Line directly in front of Zweibrucken.

Berlin Heavily Bombed

Domei

STOCKHOLM, March 18.—Over 1,300 U.S. heavy bombers escorted by about 700 Mustangs staged the largest daylight assault of the war on Berlin today, attacking communications in the capital and armament plants in the suburbs, according to a London report. The heaviest previous assault was by 1,200 bombers on February 26.

Nearly 1,000 bombers struck at Schleischer railway center and the North Station freight yards, both within two miles of the city's center, and the remainder hit the Rheinmetal Bersig plant at Tegel, six miles northwest of the city's center and the tank factory at Henningsdorf, 11 miles northwest of the heart of Berlin, the report continued.

The German fighters including some 30 jet-propelled planes attacked the U.S. bomber formations. There were indications showing that the bombers' crews had a tough time fighting off the attacks from the jet-propelled planes. Three Flying Fortresses were reported so far as being knocked down by the jet-fighters.

According to frontline reports the U.S. air force has commenced to use airfields within the German border, from which it will be seen that the bombing activities will henceforth become much more fierce.

BIG U.S. CASUALTIES BARED

Stimson Admits Army Losses Total 425,007 on Western Front

Domei

LISBON, March 15.—U.S. Secretary of War Henry Stimson reported today that the army ground force casualty list on the Western Front from D-day to March 1 totaled 425,007, according to a Washington dispatch. Of that figure, Stimson said that 34,468 represented casualties during February. He noted that the February losses were substantially lower than in January when 61,962 casualties were reported. In December the losses mounted to 74,788.

Stimson declared that the army casualties in all theaters reached 748,457 on the basis of individual names compiled in Washington through March 7. Added to the navy losses of 91,132, he stated that this places the total casualties since Pearl Harbor at 839,589, an increase of 19,957 over last week's report.

He stated that in February on the Western Front 4,145 were killed, 26,436 wounded and 3,887 reported missing. From D-day to March 1, American casualties on the Western Front showed 70,414 killed, 297,547 wounded and 57,046 missing.

Backs Pan-American Accord

Special to the Nippon Times

MADRID, March 16.—Spanish Foreign Minister Jose Felix de Lequerica declared yesterday that Spain fully agreed with the Pan-American accord reached recently at Mexico City for it was a model for world peace.

4 European States Plan to Conclude Mutual Aid Treaty

Domei

STOCKHOLM, March 18.—Much interest has been aroused in London over the report that E.N. van Kleffens, Dutch Foreign Minister, will go to Paris, where he will sign a mutual agreement involving France, Belgium, The Netherlands and Luxemburg by which they will assist one another in the reconstruction period after the war. Van Kleffens is going to Paris at the invitation of, Georges Bidault, French Foreign Minister. The Dutch official quarters denied the rumors to the effect that France wanted to unite west European countries on a common line of action at the San Francisco Conference.

Fuehrer's Headquarters

MARCH 18

In the Drave bridgehead southwest of Sikes, our troops held their positions yesterday in heavy defense fighting against strong enemy attacks. The front section, gained on either side of Lake Balaton, was straightened out and held against Soviet thrusts. The breakthrough attacks which the enemy continued to make between Lake Velencze and Felsoegalla were stopped north of Stuhlweissenburg, while at the upper Gran our troops prevented the enemy from crossing the river.

Strong Soviet tank forces advanced in upper Silesia despite the loss of 21 tanks as far as the area northeast of Loebschuetz and east of the Neisse. Our reserves, however, prevented an expansion of the enemy penetrations and held up the enemy tank spearheads in the depth of the main defense area. Northeast of Lauban single Soviet attacks were unsuccessful.

Against the eastern and southern front of the Stettin bridgehead, the enemy once more concentrated his forces which had been badly mauled in the fighting of the preceding days. Also this breakthrough attempt toward the Oder failed and 45 enemy tanks were destroyed. The Kolberg garrison effectively supported by units of our Navy is defending itself against the enemy's numerical superiority.

In West Prussia our troops warded off strong Soviet attacks west of Gotenhafen, northeast of Zuckau and at Pleskau in numerous counterthrusts without essential loss in territory. Also in East Prussia our grenadiers are fighting against the Soviet armies attacking north of Eisenberg and south of Brandenburg, where they closed the gaps in the front and thus prevented the enemy from breaking through to the Haff. In Courland the enemy launched apart from the former center of gravity east of Frauenburg also south of the town an attack after strong artillery preparation, but he was checked after slight territorial gains.

In the west, the enemy attempt to cross the Rhine southwest of Duisburg was foiled and prisoners captured, while at the middle Rhine the day was marked by further grim fighting for the American bridgehead east of Remagen and the enemy advanced in single sectors only. However, he was driven out of a number of villages. Fierce fighting is going on in the streets of Coblenz.

The fighting between the Moselle, Saar and Rhine continued. The enemy tanks which had advanced across the Nahe south of Bad Muenster-am-Stein were held up by local reserves and the enemy tried to expand his penetration area near Bad Kreuznach to the east and southwest.

In the southern Hunsrueck at the lower and central Saar the fighting continues against the enemy advancing from the northwest especially at Birkenfeld. While the American pressure has lessened at Saarbruecken and on either side of Hagenau, heavy defensive fighting for our western fortifications is under way in the area northeast of Saargemuend.

Damage was done especially in the Thuringian-Saxonian area by American terror flyers. The RAF during the day bombed a number of towns in the Rhenish-Westphalian district and at the night Berlin and Nuremberg were the targets of weaker formations.

The shelling of London and Antwerp is being constantly continued.

Phillips Resigns Indian Post

Special to the Nippon Times

LISBON, March 17.—The White House announced today that William Phillips has resigned as President Roosevelt's personal representative to the Indian Government with the personal rank of ambassador, according to a Washington report. Stephen Early, Roosevelt's secretary, said that Phillips' resignation was due to the illness of his wife, but that he will continue to work with the State Department, in connection with important matters relating to the Department and foreign service. George Merrill was recently appointed to replace Phillips in India with the rank of minister.

Belgium Hit by Food Lack

Domei

STOCKHOLM, March 18.—During the five months of the occupation of Belgium, the Germans provided the civilian and industrial plants of Belgium with 20 times the amount of material which the Allied Powers have sent to Belgium during the five months since "liberating" Belgium, declared Belgian Prime Minister Achille van Aacker in an interview to Towler of the Daily Herald. "What the Allies so far had placed at the disposal of Belgium since the latter's "liberation" corresponded in all to about two days' imports in prewar days. Belgium's food and economic situation is just hopeless," he admitted.

OCCUPIED ITALY FACING GRAVE FINANCIAL CRISIS

2 Unforeseen Developments Force Anti-Axis to Consider Armistice Adjustment

Special to the Nippon Times

STOCKHOLM, March 16.—Foreign Secretary Anthony Eden, returning from Crimea and Judge Samuel Rosenmann, Roosevelt's new adviser on European affairs, are to consider, in Italy, a grave financial position and what adjustment of armistice terms can be desirable in the light of two unforeseen developments says the February 18 issue of the Observer reaching here.

The first is the duration and slow destructive progress of the war in Italy. The Italians are bearing the cost of the occupation but the prolongation of its term is straining their finances to an extent that it may later embarass the United Nations. The second factor is that increasing assistance will be given by the Italians particularly by the partisans. Services of the Italian army and navy also now have become useful.

It is difficult to write in terms of armistice adjustments, because the Allied commanders have always considered that the publications of the original instrument of surrender might adversely affect the course of the war. All that is publicly known is the terms to place Italian domestic, foreign, economic and financial policy under allied control, that Italy accepts the responsibility for the whole occupation costs, and they do not include any settlement of Italy's frontiers or the future of the Italian empire. In view of Italy's co-belligerence it has not proved necessary to apply terms as originally drawn up.

Among the adjustments likely to be considered are some offsetting occupation costs by means of credits for tools, and other goods that Italy will need in order to tackle reconstruction; incorporation of partisans in the Italian army fighting with the United Nations, and the transfer to the Bonomi government of some further powers.

Of these measures, the first has the most far-reaching consequences. Without it, all Italy threatens to become a distressed area large enough to upset economic stability in the Mediterranean.

Occupation costs that Italy has borne in the last 18 months include, apart from material destruction wrought by the battle £125,000,000, representing an issue of occupation lire, and £125,000,000 for goods and services requisitioned by the fighting forces of this £250,000,000, £40,000,000 represent the issue of occupation lire to American troops. This figure has been offset in part by the American credit of £12,500,000, and a further £12,500,000 is promised. Such credits are not of much avail, unless they can be given in form of goods representing immediate necessities required by Italy.

Bonomi Resignation Wanted

Special to the Nippon Times

STOCKHOLM, March 16.—After the giant rally in Colosseum in protest against General Mario Roatta's escape, the demonstrators threw bombs at Quirinal, the News Chronical correspondent reported from Rome on March 7. Speakers asked for the resignation of Bonomi, and hammer-sickle flags outnumbered the tricolor. The keynote of the demonstration was, 'Down With The King.' The Italian Government on March 6 formally announced the dismissal of General Orlando, Chief of the Carabinieri who is on the Yugoslav war criminals list. Orlando, a friend of Roatta, was in Croatia with him, and his position has been in jeopardy since the Yugoslav accusation. It is also announced that the military information bureau will be transformed into a purely military organization under jurisdiction of the War Minister.

Roatta's escape reopened a controversy over the alleged slackness of purge of the Fascists and it is announced that the purge will be extended to bring big, as well as small Fascists into the anti-Fascist net. The conviction gains ground in view of elaborate measures taken by the Government that Roatta is backed by powerful supporters, although except the dismissal of the Carabinieri Chief, no action has yet been taken that would reinforce the view. The Spanish Embassy issued a denial that Roatta is under Spanish protection.

Finland Holding Election

Special to the Nippon Times

STOCKHOLM, March 16.—Finland is to hold a general election this weekend, according to a Helsinki report. Meanwhile, Finnish Premier Juho Paasikivi in a broadcast today said that Finland's relation with the Soviet Union is of the utmost importance and he stressed that both countries should make efforts to know each other better.

U.S. Public Protests Against Heavy Price In Lives Being Paid for Yiojima Operation

Domei

LISBON, March 18.—Repercussions have been caused in American public opinion regarding the immensity of sacrifices in life in the Yiojima operations. The U.S. Navy Department revealed today that protests have been streaming into the Department, publishing one of the letters, sent by a certain woman, and the reply by James Forrestal, Secretary of the Navy, according to a Washington dispatch.

The letter sent by the woman follows:

"Please stop dispatching promising youths to a little island like Yiojima to be killed there. Either for the youths themselves or for their mothers, such calamity is unbearable. I have heard that some mothers have become mentally deranged from sorrow. Can't you devise some other means not so inhuman and atrocious as we have so far witnessed, by which our objectives can be attained?"

Forrestal's reply was to the following effect:

"On December 7, 1941, we had to choose either war or disgrace when Japan declared war on America and Britain. Then or now, we have no choice but to carry on. Having chosen to take up arms, we must capture enemy positions using rifles and hand grenades. In order to emerge victorious in the current war, we must rely on the superb courage of the Army forces and the Marines who now safeguard the captured positions. There is no quick or easy way to victory."

Casualties Will Mount

Domei

LISBON, March 17.—In a report from Omiyajima today, UP points out that, while American sacrifices in the Yiojima operations are already immense, as disclosed by the announcement of the American Pacific Fleet Headquarters, which placed total casualties sustained by the American marine corp on Yiojima at 19,938, mounting losses must be expected, as stiff fighting continues. The report, which follows, analyzes the American losses.

"The American marine corps lost 45 per cent of its strength in 26 days from the commencement of the invasion. The losses averaged 766 per day, that is, one for every two minutes. The casualties sustained were so large that it was found impossible to withhold the real figures. American losse will mount as stiff fighting continues."

SECURITY COUNCIL SETUP ASSAILED BY LIPPMANN

Recognition Urged That 'Special Positions' of Major Powers Is Anomalous Situation

Special to the Nippon Times

LISBON, March 16.—Stressing that the existing predominance of the Big Three is an anomaly of the present war, and that in postwar politics the lesser Powers will make their influence felt, that in fact this progressive diminution of the Big Three's predominance has already been proven by the fact that Yalta was much less exclusively Big Three in its decisions than was Teheran, Walter Lippmann, American commentator, has written an article in the February 25 issue of the Sunday Times, proposing that the shortcomings of the Dumbarton Oaks Peace Organization plan, especially with regard to the "special positions" of the five great Powers as members of the permanent Security Council, be recognized and remedied. The article follows:

"The predominance of the Big Three is a direct consequence of the war, but their predominance has already diminished as the war comes nearer the end. Yalta was much less exclusively Big Three in its decisions than was Teheran. Probably there never will be another meeting of this kind attended only by the Big Three.

"The control of Germany and the settlement of Europe were recognized at Yalta as transcending the authority of the Big Three. The control of Japan and the settlement of Asia will manifestly not be for the Big Three alone. Centralization of command, which is a necessity in war, is bound to give way to consultations for agreement in the ensuring period of peace.

"An invitation to the French to take their equal place in the control of Germany is a recognition of the fact that the German problem is insoluble without France. Even in its lowest terms this is true; if Germany is to be occupied for any considerable period of time, the occupying forces in the west will of necessity have to be supplied in increasing proportions by France. No one will imagine the United States will long maintain a large army in Europe or indeed much more than token forces composed of professional soldiers.

"This is but one illustration of how in practice the authority of the Big Three is certain to be shared and to become decentralized. What less powerful nations are asking as a matter of principle and right, they will attain. If this were better understood if in their statements of policy the Big Three would only affirm this explicitly and positively, it would be a great help. Not only would they strengthen the confidence of the other allies, but also their patience and tolerance in accepting the leadership of the Big Three during the coming period of economic difficulties. The best opportunity to do this will come when we expound the Dumbarton Charter at Mexico City and at San Francisco.

"The crux of the difficulty is that in the Security Council the five great Powers have special positions. There is no doubt that for the purpose of preventing another world war these Powers occupy special positions. But it would be part of wisdom to acknowledge this peculiar state of affairs will not last forever. If the pacification of our enemies is successful they will be readmitted to an equal place, and through reconciliation a true peace will begin. If and when that day comes, the Security Council as it is now organized will have to be reconstructed. Therefore, we ought to recognize these truths, by proposing that 'Provisional' be added to 'Security Council,' and that the organization's constitution should be reconsidered at some agreed time in the future."

FREE EXCHANGE OF NEWS DESIRED BY STETTINIUS

Says It Will Pave Way for Permanent Peace; Hopes 'Frisco Parley Gives Approval

Special to the Nippon Times

LISBON, March 18.—Edward Stettinius, U. S. Secretary of State, in a letter made public yesterday expressed the hope that the principle of free exchange of news would be approved by the United Nations World Security Conference at San Francisco on April 25, says a Washington dispatch.

Stettinius said in part: "The whole question of freedom of information has been under study in the Department of State for some time. Approval by the United Nations of the principle of free-access to exchange information would be an important contribution to the establishment of permanent peace. I earnestly hope that it will be possible to have this subject considered and favorably acted upon by the United Nations Conference at San Francisco."

Transjordan Files Protest

Domei

LISBON, March 18.—Premier Amir Abdullah of Transjordan arrived in Cairo yesterday to participate in the Pan-Arabian Conference, according to a dispatch from that city. The Premier declared to the Reuter's correspondent there that his country would protest to the Big Powers because it has not been invited to the United Nations World Security Conference in San Francisco on April 25.

France Proposes Improvement

Domei

LISBON, March 17.—The French Provisional Government on Friday handed to the Allied nations the proposals for the improvement of the world security plan, Minister of Information Pierre Tietzen announced today, according to a Paris report.

Tietzen declared that France received assurances from the Soviet Union that the Franco-Soviet Pact of Alliance and Mutual Aid will be included automatically in the world security agreement, but the Soviet Union was not informed about the wording of the French endorsements of the San Francisco conference. The report said that he also stated that the Dumbarton Oaks proposals are not bringing security in any case and bilateral treaties are necessary in enabling countries to protect the frontier against invasion.

U.S. to Study Air Pact

Special to the Nippon Times

LISBON, March 16.—Senator Tom Connally, Chairman of the Senate Foreign Relations Committee, announced today that hearings will be started on Monday on the proposed treaty adopted at the recent International Civil Aviation Conference in Chicago, according to a Washington report.

SHOCK ACTION EFFECTIVE IN ZAMBOANGA STRUGGLE

All Enemy Attacks in Batangan Area Smothered by Japanese Troops

Domei

PHILIPPINE BASE, March 18.—Fighting in the Zamboanga area since March 14 has shifted to Batangan on the northwestern side and Pasonanca on the eastern side of the city limits with the enemy opening operations against the Japanese positions from the afternoon of that day.

However, carrying out an all-out shock attack, the Japanese Garrison Forces pushed back the enemy completely by evening while the enemy invading the Japanese position in Zamboanga with tanks and trench mortars about 2:30 p.m. on March 15 were also repelled toward dusk.

On the same day another enemy unit, concentrating heavy fire with 18 field guns in the vicinity of Pasonanca made the whole surrounding countryside one vast scorched field of desolation. Nothing daunted the Japanese Army and Navy Forces retaliated by making fierce onslaughts upon the enemy force time and time again.

Following shock attack after shock attack and working under the closest cooperation the Army and Navy Units in this locality have been dealing heavy losses on the enemy. On March 15, a shock unit composed of 48 members raiding an enemy airfield blew up and set aflame 300 drum cans, two tents and several trucks as well as destroying many machine-guns and killing over 20 enemy soldiers.

Another shock attack unit of three stole into an enemy camp at daybreak of March 16, capturing ammunitions, weapons, medicines and food besides setting ablaze one bivouac and blowing up 150 rounds of trench mortar shells.

Enemy Scheme Foiled

By M. MATSUZAKI

Of the Military Press Corps

PHILIPPINE FRONT LINE, March 18.—The enemy in trying to pierce the Japanese position near the old airfield at Zamboanga attempted to carry out their plan by taking a circuitous route on the evening of March 14. However, detected by the Japanese they were surrounded and almost annihilated.

Furthermore on March 15, protected by tank units firing trench mortar guns about two enemy battalions repeatedly carried out attacks on the right wing of the Japanese encampment but with each successive attack the Japanese Units struck such devastating blows upon the raiders that the right wing alone accounted for over 200 of the enemy casualties.

Enemy Air Action Intensified

Domei

LUZON FRONT, March 17.—By constructing airfields and greatly increasing the number of aircraft in the Lingayen Bay area, the enemy has apparently intensified his air activities in collaboration with the ground action.

Up till recently, the enemy air force in the Lingayen Bay area was mainly based at San Fabian airdrome with two other airfields at Lingayen and Dagupan as auxiliary bases. At those three airdromes, some 250 to 300 medium and small planes are sheltered. Very lately, however, the enemy constructed a new airfield at Mangaldan, six kilometers south of San Fabian, and on March 13, some 10 planes were seen parked in the airdrome, revealing that the enemy had begun to use the base.

Furthermore, the enemy built a base for seaplanes in the vicinity of Cabalitian Island not far from the southwestern coast of Lingayen Bay. At the base, 12 large seaplanes and one or two aircraft carriers were observed. The enemy has also been conducting frequent reconnaissance flights over the Lingayen area, penetrating the skies over Baguio and its vicinity. In concert with aircraft activities, enemy heavy guns numbering some 15,000 to 20,000 have been concentrating their fire on Baguio and its vicinity.

Enemy Penetrates Cuenca

By H. HIRAYAMA

Of the Military Press Corps

LUZON FRONT, March 16.—With the increase of enemy activities east of Manila, offensive and defensive battles have grown in intensity, particularly in the vicinity of the Japanese position on the height east of San Mateo, southwest of Montalban.

The enemy bombardment and bombing attacks against Ipo, Montalban and Antipolo have assumed increased severity. However, nothing daunted, the Japanese, spurred by burning fighting spirit, are now counterattacking the enemy invaders. Meanwhile, in the vicinity of San Mateo, bloodiest struggles are being staged. The Japanese Forces, which where greatly augmented, are putting up a stiff resistance.

Thrusts and counterthrusts are being made day and night in the area west of Antipolo where the Japanese left wing operating south of Marikina is entrenched. No significant progress in the war situation has been witnessed south of Laguna Lake and south of Taal Lake except that a part of the enemy invaders penetrated Cuenca on the southeast coast of Taal Lake.

High Order Awarded To Swedish Minister For Promoting Amity

Swedish Minister to Japan, Widar Bagge, was presented with the First Class Order of the Sacred Treasure by the Imperial Japanese Court in recognition of his great contribution to the promotion of friendly relations between Japan and Sweden, it was announced by the Bureau of Decorations on Sunday.

OVER 100 B-29'S UNLOAD INCENDIARIES ON NAGOYA

Fires Break Out in City, Considerable Results Obtained in Counteraction, Says I.H.Q.

More than 100 B-29 bombers raided Nagoya, chiefly dropping incendiaries on the city areas, for about three hours from 2 a.m. on Monday, it was announced by the Imperial Headquarters in its communique issued at 2:30 p.m. the same day.

Damage was caused within the city limits by fires caused by incendiaries, the communique further revealed, adding that considerable damage was inflicted on the enemy, and the detailed results are now being investigated

The communique follows:

IMPERIAL HEADQUARTERS' COMMUNIQUE
2:30 p.m., March 19

"Divided into formations of several planes or singly, 100-odd B-29 bombers raided Nagoya for about three hours from about 2 a.m. on March 19 and bombed the city areas principally with incendiaries.

"Damage was caused within the city limits by fires which broke out as the result of the said bombing attack.

"Considerable damage was inflicted on the attacking enemy planes, but details are still being investigated"

Come in Small Groups

In concert with the operations of the carrier-borne planes from the U.S. task forces that raided Kyushu on March 18, more than 100 Mariana-based B-29's divided into small formations or singly attacked the city areas of Nagoya, chiefly dropping incendiaries for about three hours from 2 a.m. on Monday.

Flying at an altitude of 1,000 or 2,000 meters, the main strength of the B-29 formations forced their way along the coast of Ise and after passing over Chita Peninsula they raided Nagoya. The rest of the raiders reached their objective after passing over the western parts of Miye and Nara prefectures.

Fires caused by incendiaries broke out in the city limits.

In speedy counterattacking operations, Japanese land and air forces obtained considerable war results. Details of the losses inflicted on the enemy are now under investigation.

Gather in Central Luzon

By N. Nishikawa

Of the Military Press Corps

LUZON FRONT, March 16.—The Japanese from various parts of Luzon have gathered in central Luzon where they have formed blocs naming them after historic places of the homeland, such as Takachiho Mura and Hyuga Mura. Here they have set about attaining self-sufficiency in food, confident that their course of action lies in this to help win the war.

With the air as crisp as in autumn and the sky azure and clear, old and young, men and women are daily cutting the rice plants. In this precious and busy work they work united and as a P-38, like some hungry bird of prey comes swooping down to mar the serene skyline the Japanese take shelter or when a B-25 blind-bombs from a low altitude in its frenzied flight and the bombs burst right overhead, very Japanese becomes more determined than ever to fight the war till the very end, the while praying for the safety of the soldiers at the front lines. In this way, come what may, never forgetting the importance of achieving food sufficiency, they are prepared for a long-term war.

5 U.S. WARCRAFT SUNK, 1 DAMAGED OFF KYUSHU

46 Planes Downed on March 18, I.H.Q. Reveals—Shikoku, Hanshin Areas Raided

IMPERIAL HEADQUARTERS' COMMUNIQUE
4:20 p.m., March 19

"1—Our Air Forces, since the morning of March 18, are attacking the enemy task forces that appeared in the sea area southeast of Kyushu.

"Of the war results gained on March 18, those known up to the present follow:

SUNK:	
Regular Plane Carrier	1
Plane Carrier or Battleship	1
Battleship or Cruiser	1
Destroyers	2
DAMAGED:	
Regular Plane Carrier	1

"(Note). In addition to the foregoing war results there was a considerable number of unascertained results obtained by ramming attacks.

"SHOT DOWN: 46 Planes (War results obtained by Land Forces included)

"Except for some planes that have not yet returned on our side, the damage caused to ground facilities was slight.

"2—Following up yesterday's raid, carrier borne planes of the enemy task forces are continually attacking the Shikoku and Hanshin districts today."

Raiders Over Yap

Domei

CENTRAL PACIFIC BASE, March 18.—About 50 enemy planes of mixed category, comprising TBF'S, P-28's and F4F's raided Yap Island on the afternoon of March 18. One enemy aircraft was downed by the Japanese side.

Army Appointments Bared

Lieutenant General Sobu Yamamuro has been appointed Inspector of Artillery and Lieutenant General Kaoru Takeda made Inspector of the Anti-Aircraft Forces, it was announced by the War Ministry on Monday. Simultaneously, Lieutenant General Mitsu Kawanami was appointed Inspector or Signal Corps, while Lieutenant General Kenzo Kitano was named Principal of the Military Academy, the War Ministry added.

Tsai Sees Shigemitsu

Chinese Ambassador Tsai Pei called on Mamoru Shigemitsu, Foreign Minister and concurrently Minister of Greater East Asiatic Affairs at the latter's official residence at 3:30 p.m. on Monday.

U.S. General Killed

Domei

LISBON, March 17.—A short burst from a concealed Japanese machine gun killed Major-General Edwin D. Patrick on the morning of March 14 at a forward command post of his U.S. 6th Division in the Luzon front, according to a Washington dispatch. Patrick was sitting in a foxhole atop a ridge overlooking a ravine. Suddenly a Japanese machine gun opened up from the bushes less than 50 yards below the foxhole hitting Patrick who died later from an abdominal wound.

Wedemeyer Again Sees F.D.R.

Domei

LISBON, March 17.—Lieutenant General Albert Wedemeyer, Commander-in-Chief of the American Forces in China, who had already conferred several times with President Roosevelt and army leaders, met the President again yesterday, before leaving for his post in China, according to a Washington report. The object of his visit to Washington is said to have been to adjust the employment of American forces and materials in Asia. He is also understood to have discussed the American strategy against Japan with Admiral Chester Nimitz, Commander-in-Chief of the U.S. American Fleet, and Admiral William Halsey, Commander of the U.S. Third Fleet.

Rebuilding Kunming Road

Domei

CANTON, March 17.—The U.S. Engineering Corps repairing the road between Myitkyina and Tengyueh have been assisting the Chungking authorities in the reconstruction of the road between Kunming and Kweiyang and the materials will be shortly imported, from America, it was stated by a United States official in charge of munitions supplies to the China area, according to a Chungking report.

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TOKYO, TUESDAY, MARCH 20, 1945

The New Status of Chosen And Taiwan

An epochal change in the governmental system of the Japanese Empire is to take place shortly as the result of the extension of franchise to the peoples of Chosen and Taiwan. Heralded by Prime Minister Koiso's promise of greater political privileges to Chosen and Taiwan made before the Imperial Diet some months ago, the forthcoming change was fully expected, but now that the details have been announced by the Board of Information following the approval of the Privy Council, the results can be viewed in their full significance.

Under the new system, the people of Chosen will elect twenty-three members and the people of Taiwan five members to the House of Representatives, while ten members of the House of Peers will be appointed by Imperial nomination from among the people of Chosen and Taiwan. At the same time enfranchisement will also be extended to the population of Karafuto.

Although the qualifications for suffrage in Chosen and Taiwan will differ slightly from those prevailing in Japan Proper, the new arrangement means not only a marked increase in the political privileges of the population of these newer portions of the Empire but it marks further a tremendous step toward the complete abolition of all legal and political distinctions among the various peoples of the Empire. It emphasizes as nothing else the essential unity of the Empire in which the Chosenese and the Taiwanese are as one with the people of Japan Proper in rendering their loyalty to and in receiving the blessings of the beneficent rule of the gracious Imperial Sovereign who reigns equally over all.

The new status of the peoples of Chosen and Taiwan is fully deserved. The whole-hearted loyalty and devotion with which these peoples have contributed to the Empire's war efforts both on the fighting lines and on the home front ever since the beginning of the present war have proved how completely Japanese in spirit they had become in the relatively short time they have been members of the Japanese Empire. Their elevation to their new status is a just recognition of the position they have won through real merit.

But, although the present war may have provided the immediate occasion for this step, the same result would have come eventually in any case. The universal beneficence of the Japanese polity and the essential cultural and racial affinity of the peoples of Chosen and Taiwan with the people of Japan Proper, which enables them to understand and appreciate the spirit of Japan in like degree, ensure the inevitable attainment of their complete unity. The present war has merely accelerated this process.

This latest development in the relations of Chosen and Taiwan with Japan demonstrates how solid is the unity of the whole Japanese Empire despite the stress of war. Far from resulting in disintegration, the war has only served to strengthen the structure of the Empire more than ever.

This latest development also demonstrates how inherently different in moral basis and practice is the Japanese Empire as contrasted with the empires of our enemies which are held through oppressive force. Whereas the Anglo-Saxons unalterably regard their colonial dependencies as inferiors to be exploited and discriminated against, Japanese imperial polity results in the welcoming of all peoples of the Empire to a completely equal participation without distinction in the blessings of the Imperial Grace.

Apostles of Manifest Destiny

Of all the recent evidences of the United States' ambition in the field of international politics, the policies advanced by the Foreign Relations Committee of the United States Senate reveal most graphically how irrevocably committed the United States is to interventionism in international affairs. This is the most important body in the United States Congress as it is responsible for the legislative formulation and endorsement of the United States foreign policy. Composed as it is of both Democrats and Republicans, its actions reflect quite accurately the trend of American public opinion in international affairs.

One of the most important acts of this Committee since Pearl Harbor was the introduction of the Connally Resolution to put the United States in a predominant position in world politics. This resolution, which was presented as a substitute for eight different proposals on international cooperation, was introduced in Congress on October 12, 1943, and pledged the United States' support of an international organization for "world peace". Together with the Fulbright Resolution introduced in the House of Representatives on September 21 of that year, it represented the first congressional commitment to support the projected international security machinery.

In the spring of the following year, another important event took place. That was the creation of a bi-partisan Senate committee composed of four Democrats and three Republicans to hold regular meeting with the State Department to discuss questions pertaining to the world security organization. This committee was set up at the instigation of the White House which did not want to repeat the political blunder made by President Woodrow Wilson after the first World War when the Senate turned thumbs down on the League of Nations. The fact that this bi-partisan committee has, on general lines of policy, agreed with the Administration's recent conduct of foreign affairs is an indication that American public opinion has definitely abandoned its isolationist tendencies.

But probably the most important expression of the power politics theory ever to come out of the conservative United States Senate was Republican Senator Vandenberg's proposal on January 10 of this year for the conclusion of a permanent military alliance among the major anti-Axis Powers to enforce the peace. The reversal of his position as an isolationist to that of an interventionist as well as the American electorate's failure to return several isolationist candidates to Congress in the last election reveal an unmistakable trend of American public opinion. It can not be doubted that the preponderant mass of the American people today support their country's intervention not only in the affairs of the Western Hemisphere but also all over the world. President Franklin Roosevelt took full advantage of this trend at the Yalta Conference where he definitely pledged the United States to a policy of active participation in European power politics.

It is apparent in the light of these facts that the United States will henceforth pursue more openly and relentlessly her unscrupulous policy of arbitrary interference in the countries of the world, in brazen violation of international law and decency. "To hell with neutrality," a statement made last year by an American official, was not an irresponsible statement but a blunt expression of the widespread American national sentiment, a sentiment which has already taken the form of a movement to codify a new international law under which neutrality would be completely outlawed. It is self-evident, therefore, that if the world is to enjoy real independence, such Anglo-American ambition for world mastery must be curbed to make way for a newer, freer order in which the rights of all nations would be duly respected.

He's Right

Policeman (to intoxicated man who is trying to fit his key to a lamp post): "I'm afraid there's nobody home there tonight."

"Mus' be, Mus' be. Theresh a light upstairsh."

Never Fail

"What's the most potent water power known to man?"

"A woman's tears."

RESULTS OF HSINKING ECONOMIC MEETING

Plans Drawn Up for Production Of Vital Materials

Representative financiers and industrialists in Manchoukuo, Chosen, North China and Mengchiang are cooperating to accelerate the production of essential goods necessary for war materials to Japan.

It hardly needs to be mentioned that the abundant raw materials in the form of iron and coal deposits must be put to use at the earliest possible moment for the building of warplanes and sea craft.

The further development of the mining industry and the fostering of mutual assistance among various industrial interests is imperative, not only with relation to the full utilization of Manchoukuo's abundant natural resources for her own defense but also for Japan. Although the economic development companies as well as other regional control agencies are rapidly supplying war needs, it is still not quite sufficient for Japan's critical war efforts. A definite policy must be set in order to put to the best use the potential productive resources. The proper distribution of raw materials as well as the most effective placement of machinery and the improvement and development of technical facilities must be increased in increasing the war effort.

Utilization of Existing Equipment

In order to increase the present industrial output, the full use of existing equipment is necessary. Non-essential industries must be converted to war production and the investigation and interchange of industrial potentialities are required.

Emphasis is being laid on the acceleration of steel and coal output. In Japan Proper, there is a steady acceleration of production. Last year, production figures for Chosen were two and a half times those of the year before. North China is especially blessed with valuable deposits of excellent quality coal, the production of which is rapidly taking place. Labor supply and the mechanization of mining equipment as well as technical renovation and improvement are of the greatest importance at the present time. Mining exploitation has not progressed rapidly in Manchoukuo and of necessity much is expected from Chosen and North China. The lack of iron ore has been covered by the use of other metals up to the present, but the demand will grow with the urgent need for greater mining development in Chosen and North China. Greater collaboration is to be hoped for.

Mengchiang is also favored with an abundance of natural resources and is beginning to develop in earnest her mining industry. Her production goal is to be double that of last year. There are some labor problems, but they are being gradually solved. Much labor from North China is being turned towards Mengchiang, and the future holds much promise for further development. But a problem raised anew is that of securing able technicians and their proper distribution. Also, the quality of production is far more important than quantity production. The establishment of a definite plan of production is therefore desirable.

Favorable Strides Made

The iron industry in Chosen has recently made favorable strides, and the use of small smelters has been successful. The lack of raw materials is being gradually remedied although the continued collaboration of Manchoukuo and North China is necessary.

Manchoukuo has contributed a great deal year by year toward Japan's war production, but this is also true of other neighboring regions. It may be said to be the manifestation of the mutual assistance taking place in the economic life of the continental area. The enemy air-raids have not done much damage thus far, but a thorough preparation must be made in order to insure greater production. To use the present equipment to the greatest advantage is most important. To insure this, the improvement of quality, labor security, technical reform are urgently need.

In North China, the industry has just gotten fairly under way, so that with regard to technical improvements, raw materials there are much in demand. However, vigorous progress is expected in the near future. As to the use of small smelters, effectiv methods of operation have been found. Adjustments are also being made for the manufacture of steel plate also. In Mengchiang, small smelters are being used with fair success. In the production of coal, Chosen produces more coke than coal which forms the basis of her production increase. It is eight times greater than that produced two years ago. In North China, a marked increase was shown since 1937, but since 1940 production has fallen due to labor shortage and lack of materials. Mengchiang has placed the greatest emphasis on the expansion and equipment of important collieries as well as weeding out inferior mines, thereby adding impetus to speedier war production.

No Violence

Clerk: "How did you get on about your raise?"

Office boy: "Oh, the boss was like a lamb."

Clerk: "What did he say?"

Office Boy: "Bah",

RECENT DEVELOPMENTS IN WORLD ECONOMY

Bretton Woods' Plan Gives No Promise of Sound Monetary System for All Nations

World War II far surpasses World War I in its scope and scale. New weapons have been invented since the inception of the war. Belgium and Holland which virtually escaped the ravages of the previous war have been caught in the vortex of the present war while France today is almost a total ruin. On top of all this East Asia has also been brought into the center of the war. Consequently how to restore all these devastated territories after the war is the paramount issue which is causing a grave concern to all the belligerent nations of the world today.

Further due to the protracted nature of the present war every nation has become self-sufficient. Nations such as India, Australia, Central and South American countries have strengthened their individual positions as never before in their history while American economy is trying to replace economy in many of the countries of the world.

With all these direct or indirect consequences of the present war as the background already there is springing up a movement to establish an organ to stabilize the world's economy and its related interests. To give impetus to this movement the anti-Axis side is shouting for quick termination of the war while various nations are beginning to consider seriously the restoration of the world's economy to the prewar status. The numerous anti-Axis conferences which were held frequently during 1944 attest to the inner current of this movement.

Did Not Reach Full Accord

Of course, the anti-Axis powers did not come to a complete accord at all their conferences. Example, at about the time the all British Dominion Prime Ministers Conference was being held in London the first part of May last year to discuss the war strategy and the ways and means of pulling all the nations of the Dominion together, the all-American Development Committee Conference was held under American sponsorship to discuss mutual cooperation among all American Republics in the prosecution of the present war. Also the conferences of the past year were many. There were the International Labor Conference of all the member nations of the now defunct League of Nations, the International Communications Conference composed of economic magnates of various nations, the Wool Manufacturers Conference by the wool producing countries. However, there is no question that the most important of all these conferences was the International Currency Stabilization Conference which was held at Bretton Woods from July 1 to 22.

Two plans were adopted at the anti-Axis Currency Stabilization Conference. One was the Currency Fund Plan and the other the Reconstructions and Development Bank Plan. How these two plans passed the conference or the detailed contents of them will not be discussed here but the following statement by Henry Morgenthau, the Chief American delegate, may throw some light on the contents of the two plans. He said:

"In order to assure full employment in the various nations concerned I believe the restoratives of international commerce is of paramount necessity. The first prerequisite for this must be the rational and secure formulation of an international exchange which would enable each nation to take an independent action and at the same time to be able to stand on its own power in meeting its own economic problems through this medium; and the abolition of competitive devaluations of currency, excessively high tariffs, and unnecessary restrictions of foreign exchange. The second prerequisite is the extending of long-term loans to the devasted nations as well as the nations which are now rising in power. The currency Fund Plan was adopted to meet the first prerequisite and the Reconstructions and Development Bank plan to meet the second prerequisite."

These plans were the result of the compromise of Morgenthau-White Plan and the Keynes Plan and it is widely known that between these two plans there existed a wide difference of opinion, with America insisting on the gold standard and Britain standing for equal commerce.

In this conference, too, due to the discord between America and Britain and the British suppression of Australia and India no sound postwar currency stabilizations plan was foreseen. The criticisms of neutral observers should be read in this connection.

Unnecessary Provisions

One Swedish scholar stated as follows: "Although the International Monetary Fund plan bears a very grave significance I do not think that all the complicated provisions as introduced in the plan would be absolutely necessary. To stabilize international currency, it is enough to fix the exchange rate between the Dollar and the Pound and the other nations could then fix their individual exchange according to this standard rate."

Furthermore, Professor Gustave Cassel, famous financial authority whose treatise on stabilization of purchasing power is widely read, made the following similar comment: "With the establishment of the International Monetary Fund the exchange rate between the Dollar and the Pound will be fixed only after other nations stabilize their currency exchange value!

There still remains the question of what shall be the exchange rate between the Dollar and the Pound. In other words, some new exchange rate must be fixed to meet the pro-rate combined war expenditure, the unsettled account under the Lease-Lend Act, the difference in the commodity price level of the two countries as well as the new conditions which may arise due to the changes in the overseas investment and commercial trade.

Right here the attitude of the Soviet Union must be closely watched. The Soviet publication "War and the Working Class" published a plan apparently representing the Soviet Government's opinion. According to this plan, although Soviet Russia professes a deep interest in various measures for speedy recovery of the world's economy, she has no interest at all on the International Bank Plan or establishment of a Stabilization Fund as proposed by Keynes and White. Not only did she oppose this idea but she has openly declared her approval for the returning of the world's gold standard. The Soviet writer states further: "If all the commerce between the Soviet Union and other nations is carried on on the gold basis, which possesses a most stabilized value, undoubtly it will tend to encourage the development of international commerce. The reasons why the Soviet Union is advocating the return of the gold standard so staunchly are first, that she ranks as the second greatest gold producing nation in the world, and, secondly, because the Soviet Union believes that her commodity value is such that, in contrast to other nations, it will not be materially affected by the return of the gold standard, consequently her idea of returning to the gold standard is not necessarily the same as that of the other nations and for this reason there exists a great deal of doubt whether all other nations unanimously agree to her proposal or not.

Thus analyzed, we can definitely say that the movement for solving the postwar economic problems had to their time last year and that the decisive step for their solutions was carried over until this year.

Production Power Wanes

The production power of the United States practically reached its limit last year. This is the prevailing opinion today. According to the index number as released by the U.S. War Production Board war production reached its zenith on November of 1943 with an index number 118 and after climbing to 117 on March of 1944 it dropped down considerably (see Table I) Aircraft production too dropped accordingly (see Table II).

Table I
Index Number of U.S. War Production
(Based on the 1943 Monthly Average)

1940 (latter half average)	7
1941 (First „ „)	11
1941 (latter „ „)	18

	1942	1943	1944
Jan.	29	78	114
Feb.	31	82	112
Mar.	36	90	117
Apr.	42	95	114
May	47	95	—
June	52	97	—
July	58	101	109
Aug.	64	105	116
Sept.	67	108	114
Oct.	69	113	—
Nov.	76	118	—
Dec.	84	117	—

Table II
U.S. Aircraft Production

1943	(No. of planes)
Aug.	7,612
Sept.	7,598
Oct.	8,362
Nov.	8,362
Dec.	8,802
1944	
Jan.	8,789
Feb.	8,760
Mar.	—
Apr.	—
May	8,902
June	8,049
July	—
Aug.	7,939

However, as for the plane production is concerned, the decrease in the number of planes does not necessarily mean the decline of war power but rather it is due to the change to the production of larger planes.

Further, if we should look into war expenditures as shown by Table III below, we shall find that the decrease of the production of war supplies is not necessarily reflected in the war expenditures. The reason, of course, is due to the increase of manpower, the expansion of the war fronts and the lengthened supply line.

Table III
Monthly U.S. War Expenditures
(Released by the U.S. Production Board)
(In 1,000,000)

1943	(In 1,000,000)
Aug.	7,529
Sept.	7,212
Oct.	6,988
Nov.	7,531
Dec.	6,951
1944	
Jan.	7,416
Feb.	7,880
Mar.	7,948
Apr.	7,510
May	7,918
June	7,367
July	7,355
Aug.	7,798
Sept.	6,104
Oct.	7,447

By merely looking at these figures, we cannot for a moment sit back and ease our minds at the present status regarding the limit of the United States war production power. In other words, the production is affected in the United States by the desire of the munitions industry to return to peacetime economy. The U.S. reconversion idea, which took the American economic circles like a storm in 1944, is manifested here. But the idea was "much ado about nothing." In spite of the hot debates carried on in the country, resulting in a conflict between the War Department and the War Production Board, the reconversion plan made no appreciable progress and practically nothing was carried out at all. It was assumed that friction within the American government, the demand by the War Department for increased war production and the urgent request by General Eisenhower for more arms and supplies had greatly to do with the suspension of the reconversion plan. No doubt the protracted nature of the European as well as the Pacific War was responsible for this turn of events.

Britain's War Debt

It is not difficult to imagine the huge war debt which is being incurred by Britain in defraying her enormous war expenditure and the method she is employing to raise huge war loans within Britain Proper as well as in her colonies and dominions. The worst problem of all will be her staggering debt to her ally, America, which depending upon the method of settlement under the Lease-Lend Act, will be an unpleasant surprise to Britain indeed. To escape from this calamity the re-establishment of export trade is being contemplated; and encouraged by the reduction in the taxes it is rumored that some exporters have already made preparations for the reconversion of their industry. At the anti-Axis Currency Conference and also at the Business Conference, Britain received strong protests from the delegates of India and Australia regarding the accrued debt of the British Dominions and the outright release of the Pound which are held at London, her empire. Britain cleverly side-stepped all these protest and answered that she will consider these issues separately from the international conference and that she will hold an all-British currency conference someday to settle these protests. Since then we have heard nothing concerning the opening of this conference but in view of the gravity of the issue it will be one of the chief topics of the current year.

Britain's Financial Problems

Britain's new method of raising the war fund should be worth watching along with this important issue. As every one knows, Britain boasted of a firm financial structure and since 1943 when all the other nations tried to meet the war emergency by means of short-term government debentures or increasing the currency circulation, Britain all by herself was very much proud of her strong financial foundations. But according to a foreign cable in the latter part of October of last year she too is showing a decrease of deposits and an increase of short-term debentures. (See Table IV).

Table IV

	Deposits (units per) £1,000,000	Short-Term Bonds
1942-3	1,064	372
1943-4	1,219	355
1944-5	789	815

This is not a decisive tendency by any means but as compared to other nations she seems to be much better off. As a new tendency, however, it is worthy of our attention.

According to the statistics of last July the outstanding short-term debentures stood at 176,500,000,000 marks and the average monthly increased for 1943 was 3,800,000,000 marks and for 1944 it jumped to 4,900,000,000 marks. Due to the contraction of the German war front today these are no revenues from the occupied territories and as there are no new taxes such as the property tax which was assessed last year, this tendency is bound to increase in the future.

But with last year's total mobilization law the Reich Government has simplified the collection system to its utmost and the contraction of the administrative expenses deserves our attention. Namely, the income tax, corporation tax, and business tax were assessed at the same rate as last year while the sales tax was simplified to one form from the four types of the year before. The investment tax, commercial tax, checking account tax and other small taxes were abolished entirely during 1944-5 and while the war lasts. New price fixing for all commodities is not permitted as a rule and plans are being formulated to do away with the "red tape" and to prevent the abnormal rise of the price of all commodities.

THAILAND'S HIDE INDUSTRY

Great Prospect for Future Development Seen

Thailand is a stock-raising country with prospects of developing her livestock industry for export purposes. But like her neighboring Burmese who are Buddhists they do not eat beef but their cattle are raised for work on the farm and to meet the needs of the hide industry. Hence, stock-raising in Thailand has been relegated to secondary importance as a national industry. However, due to the good climate and fertile soil with which Thailand is favored, this industry has much chance for improvement with comparatively little effort. It is certain that if she wakes up to the need of modern agriculture to improve her farming and living conditions, her stock-raising industry will have a new lease of life.

In 1940, Thai yellow cattle hide exports to Japan were valued at 12,000 baht; those to the Occidental countries, at 250,000 baht. Buffalo hide exports to Japan were valued at 147,000 baht, those to the latter, at 607,000 baht.

These exports have decreased since the opening of the War of Greater East Asia, ranging from one-fifth to one-tenth of the prewar exports. But with the use of beef as food, the future of her stock raising industry will be much brightened. It has a chance of becoming a big national industry. And it goes without saying that when such time comes the hides of other animals, such as sheep, goats and elephants, will occupy important items in her export trade with Japan.

From 1930 to 1939, she raised an average of 11,500 elephants a year, 397,000 horses, 5,858,000 head of yellow cattle, and 5,750,000 buffaloes.

We notice in the general Japan-Thailand trade, Thai hides occupied fourth importance in Japan's imports, after rice, rubber and tin. But this trade situation underwent a change with the outbreak of China Affair, with Japan importing a great quantity of all goods from Thailand. Particularly after July, 1941, when the United States enforced her freezing act against Japan, Japan came to rely more on Thailand. She also imported great quantities of goods from Burma and French Indo-China.

The total value of export to Japan from Thailand in 1933, the peak year, was 9,100,000 baht or about ¥14,560,000. Japanese exports to Thailand hit the ceiling in 1937 when it reached 28,250,000 baht or about ¥45,250,000.

Demands on Increase

Though since that time our trade with that country has gradually dropped, it has lately shown an upturn. This was due to the fact that our demands for the southern supplies have since increased, a large part of which was met by Thailand.

While all the Southern Regions in East Asia are engaged in stock-raising, it is unusual to observe that Thailand is the only country that raises elephants as well.

Of the processed materials, Thailand's exports are limited to lard, all the rest such as milk, butter and cheese being imported. Thailand imported in 1939 pork valued at 205,000 baht; canned milk, 3,631,000 baht; butter 103,000 baht; and cheese, 18,600 baht. What does this condition indicate but that her stock-raising is still in its infancy.

In the northeastern and central parts of Thailand, there are many valleys and forest lands which are most suitable for cattle-raising. When this industry is improved, there is no question but that it will enormously increase her profits. Instead of relying upon imports of them at a great gain. It will also contribute toward increasing her exports to Japan.

Heretofore, it was the overseas Chinese in Thailand who were responsible for the development of stock-raising there. They were gifted in cattle-raising; they also raised pigs, geese and ducks as well. These they raised near the coast where they could conveniently obtain food for the live-stock. In this sense, these overseas Chinese are pioneers in the industry.

This may be attributable to the fact that the Thai people abhorred the slaughtering of animals due to their religious customs. So what they did was to export live animals and birds and import the processed products.

It is an unusual sight to observe elephants being used in that country for the conveyance of teak wood. The number of elephants total 11,500.

In checking up on the number of Thailand's domestic animals we find that in the pre-China Affair days Thailand had 5,750,000 buffaloes, 5,860,000 head of yellow cattle, 400,000 horses, 800,000 pigs, and a comparatively small number of sheep and goats. In monetary value, they run up to 125,000,000 baht which can be taken as an important economic resource of Thailand.

However, due to the quick tempo in the development of war situation, her peacetime industries have met a setback; her livestock industry has also been affected by the war. But she should exert her efforts to stage a comeback.

In the prewar days British trade with Thailand occupied first place in both exports and imports. In 1940 Thailand exported to Britain 77 per cent of her total exports and imported 67 per cent of her total imports from her. These, of course, were carried through Singapore and Hongkong in those days. Prior to this, the British-Thai trade reached the highest point in amount during the three years since [illegible], in which Thai exports to Britain went up [illegible] 83 and 85 per cent of [illegible].

Why the British-Thai trade [illegible] up so high was [illegible] the Thai people had to rely upon her imports of manufactured goods while they exported raw materials to the country.

PRESS COMMENTS

Monday, March 19

CHUNGKING-YENAN STRIFE

MAINICHI—The negotiations between Chungking and Yenan which have been dragging on since spring of last year again came to a deadlock recently and are now [illegible] to the danger of a complete breakdown. Concerning the establishment of a democratic political structure, which forms the central issue of the negotiations, Chiang Kai-shek throughout has been maintaining the principle of realizing the [illegible] setup under the leadership of the Kuomintang, whereas Yenan has been demanding the immediate establishment of a joint Kuomintang-Communist coalition government, and neither side has been willing to compromise.

However, the importance of the issue lies not so much in the objective to set up a democratic political structure, but in the aggravation of the battle for supremacy against the background of the intensification of the world war. All the circumstances which are being observed in connection with the disposal of the small countries of Europe are reflected also in this Chungking-Yenan issue.

Of course, the demand for the enforcement of constitutional government was originally the policy of Yenan and the other small parties in Chungking China; but now it is linked up with America's strategic offensive for the democratization of China. In the progress of the common war with Chungking since the outbreak of the War of Greater East Asia, America has keenly experienced how difficult it is to whip up the Chungking regime's strength for the war against Japan.

The fundamental reason of this difficulty has been the national awakening of China which no longer wishes to shed its blood for the sake of America. And America sees the actual substance of it in the organization of Chinese nationalism through the dictatorship of the Kuomintang. Now, America's so-called democratic offensive consists in an attempt to save this racial "face" of China and at the same time dissolve its organism as embodied in Chiang's dictatorship.

The subtle leaders in Yenan could not be expected to let this opportunity go by unutilized. Mobilizing all capacities, Yenan has been propagandizing to the world that it alone is the chosen exponent of Chinese democracy. As a result, it has been loudly advertised that Chiang's dictatorship is the cause of the weakness of the Chungking army; that it is the Communist forces who are holding [illegible] powerful forces in check, and that Yenan alone is the [illegible] of China's democratization.

Influenced by this propaganda, the fickle public opinion in America has even gone to the point of advocating that "Chungking, which does not fight, should be pushed aside, and China's fighting 'Tito' (Yenan) should be supported." But stubborn Chiang could not be expected to remain motionless either. Thus, in his speech at the outset of this year, he made his statement on the enforcement of constitutional government. However, Chiang's enforcement of a constitution always means constitutional politics under the leadership of the Kuomintang, and Yenan would be allowed no more than the status of a legal political party.

In opposition to this, Yenan has been pressing for the immediate realization of a coalitional democratic government on the basis of equality between the Kuomintang and the Communists, which, considering past examples, must be termed almost a day-dream. But in here is hidden another element of an international problem. And that is the existence of the Soviet Union who, in Europe, has been making some [illegible] moves.

Already in spring of the year before last, the Soviet Union dissolved the Comintern, and formally speaking, it has no longer any control over the Chinese Communist Party. But speaking in terms of genealogy, Yenan is Moscow's child, and even at present this history of Yenan's development forms the [illegible] background of Yenan. Also the fact that Soviet press organs have recently been publishing in particular Yenan's propaganda and reports cannot fail to be considered as an indication of the Soviet Union's intentions vis-a-vis China.

Thus, the ways concerning the realization of a coalition democratic government in China can no longer easily be decided by Chiang alone. Hereafter, the Kuomintang-Communist issue must be considered under the broader angle of U.S.-U.S.S.R. relations during the war and after.